



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF MENTAL RETARDATION SERVICES
ANDREW JACKSON BUILDING, 15TH FLOOR
500 DEADERICK STREET
NASHVILLE, TN 37243

MEMORANDUM

DMRS NUMBER 0104

DATE: April 17, 2009
TO: DMRS Regional Directors
FROM: Stephen H. Norris, Deputy Commissioner
SUBJECT: Revised policy on developmental incentives

In 2003, the Division of Mental Retardation Services (DMRS) implemented state-funded developmental incentives to assist residential and day providers with initial administrative and training costs associated with bringing individuals into Home and Community-Based Services (HCBS) waiver services.

Effective July 1, 2009, state-funded developmental incentives shall only be available as follows:

1. The individual for whom the provider receives the developmental incentive must be a Class Member who is being initially transitioned to Supported Living, Residential Habilitation, or Medical Residential Services from one of the following:
 - a. A developmental center operated by DMRS;
 - b. A psychiatric hospital or psychiatric residential treatment facility;
 - c. A nursing facility; or
 - d. The custody of the Department of Children's Services.
2. The provider must be a DMRS-approved provider of Supported Living, Residential Habilitation, or Medical Residential Services.
3. A developmental incentive shall be available only as a *residential* developmental incentive (i.e., an incentive to transition individuals to a residential service).
4. A developmental incentive shall not be available to transition an individual to a one-person residential placement.
5. The developmental incentive for any individual being transitioned to a residential service shall be limited to \$2,500.00.

Please distribute this memo to your staff, as appropriate, and to HCBS waiver providers.

SHN: wlm

CC: Joanna Damons, Assistant Commissioner
Debbie Payne, Assistant Commissioner
Fred Hix, Assistant Commissioner
Laura Doutre
Lucia Beller